GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:6675
ANSWERED ON:10.05.2005
MULTI NATIONAL COMPANIES
Chaure Shri Bapu Hari;Renge Patil Shri Tukaram Ganpatrao;Yadav Shri Baleshwar

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether any study has been conducted to assess the Indian potential to attract multi-nationals and foreign companies;

(b) if so, the findings thereof;

(c) whether any initiative has been taken to promote entry of the multi-national companies in the labour intensive industries;

(d) if so, the details thereof;

(e) whether the Government propose to formulate any national design policy to make India a 'designer hub' in the world;

(f) whether any consultation / meeting has been held with partners in this regard; and

g) if so, the outcome of the meeting?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY(SHRI E.V.K.S. ELANGOVAN)

(a) & (b): No, Sir. Government has not conducted any study to assess the Indian potential to attract Foreign Direct Investment (FDI).

(c) & (d): Government has put in place a liberal Foreign Direct Investment (FDI) policy which allows FDI in most sectors/ activities up to 100% on the automatic route, including labour intensive industries. Initiatives undertaken by the Government to promote FDI in the country include progressive liberalization of the policy; simplification of procedures; organizing promotional events; and investment facilitation.

(e) to (g): Government has initiated an exercise with the intention of formulating a National Design Policy after consultations with various stakeholders. Accordingly, interactive sessions have been held with the academia, industry and designers and this would help in formulation of the design policy.